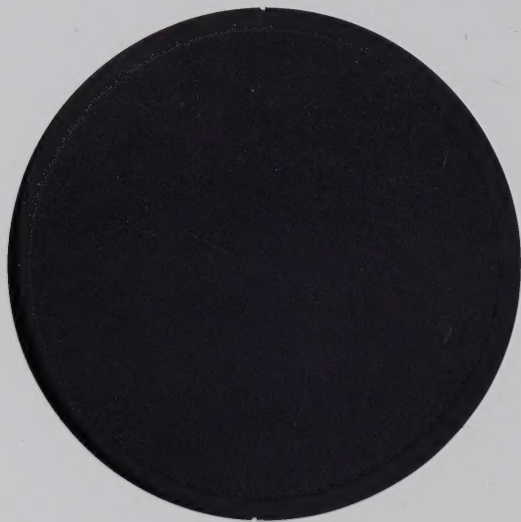


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**HOWE SOUND COMPANY** / 500 FIFTH AVE., NEW YORK 36, N. Y. / (212) PE 6-5577





## **ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 1961**



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## THE YEAR IN BRIEF

	1961	1960
Net Sales & Operating Revenues	\$105,655,000	\$95,008,000
Income Before Taxes	5,746,000	6,727,000
Taxes on Income	2,274,000	2,058,000
Income After Taxes	3,472,000	4,669,000
Working Capital	32,137,000	28,285,000
Earnings per Share of Common Stock*	\$1.05	\$1.46

*\*On 3,188,721 shares outstanding at December 31, 1961*

## HOWE SOUND COMPANY

*We are often questioned as to the derivation of the name Howe Sound Company. The original company was chartered in Maine in 1903, and named for Howe Sound, a body of water near Vancouver, British Columbia, on whose shores it operated the Britannia Mine. For some 55 years the company engaged in activities solely connected with mining. In 1958 Howe merged with Haile Mines, Inc., and a new company was incorporated in Delaware, still retaining the name Howe Sound Company. Since that date the company has diversified its interests, as this report demonstrates, but maintained as its predominant theme for expansion the field of metals where the experience of its personnel could be used to the best advantage.*

## **REPORT FROM THE PRESIDENT**

For Howe Sound Company 1961 was a year of coordination and consolidation of our various activities. The transition from mining to manufacturing was virtually completed. Mining operations now consist only of the tungsten mine in North Carolina (approximately 30% owned by General Electric Company) and the copper-zinc mine in British Columbia. In 1962 mining will probably contribute less than 5% of total sales.

During 1961 we sold profitably our El Potosi mine located in Mexico; and the manganese mine in Henderson, Nevada, was shut down and liquidated upon completion of the U. S. Government contract under which it operated. We have sold to Automation Industries, Inc., of California, the non-destructive testing instrument line of our Sperry Products Company Division. We retained the Sperry rail testing service which is acknowledged to be the leading rail test operation. As a result of the sale Howe Sound now owns a sizable block of the shares of Automation Industries, Inc.

We are in process of liquidating certain trading departments which have been non-profitable, and are concentrating our efforts in areas of greater growth and profit potential.

Our greatest opportunities are probably now in aluminum and high temperature alloys, dental and surgical products, and castings. Although we will not overlook other profit possibilities in the Company, it is in these three areas where we expect to exert our greatest efforts to expand both by acquisitions and by further investment in present operations.

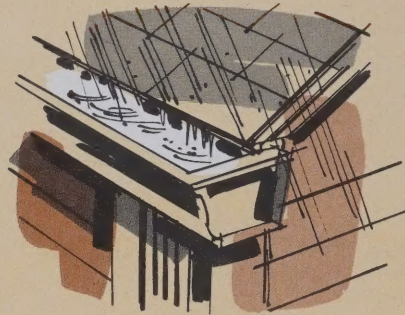
Two recent additions have been made to the dental and surgical product line. In January 1962 we acquired Thomas



## **QUAKER STATE METALS COMPANY** Lancaster, Pennsylvania

*Building Products: rain carrying equipment, warm air fittings, farm roofing and siding in sheets and rolls, roll valley, building shapes, reflective insulation, vapor barrier and industrial stampings.*

*Mill Products: coil sheet, roller leveled sheet and coil, embossed sheet and coil, welded tubing, stretcher leveled sheet and painted sheet and coil.*



## **STAMFORD ROLLING MILLS COMPANY**

*Springdale, Connecticut*

*Copper, brass and bronze strip.*



J. Dee and Co. and its Dee dental gold business from Handy & Harman. Dee golds have been used by the dental profession for over 40 years, and we will now market them primarily through authorized distributors in keeping with established Dental Division principles. In March 1962 we also acquired London Splint Company, of England, which has been marketing internal application surgical appliances and related instruments in the United Kingdom since 1938.

In the aluminum division we acquired during 1961 the Labeled Metal Products Company of Chicago, and Hurst Mfg. Co. of Florida. The former manufactures products which complement those of our Quaker State Metals aluminum plant while the latter specializes in the production of aluminum awnings which supplements the business of our Navaco Company of Texas.

An important step during 1961 was the coordinating of divisional interests. The activities of each unit have been reviewed to determine what products or services can be used by other divisions. Similarly the Dover Research and Development Center is conducting basic and applied research for many of the divisions.

This trend towards unification is exemplified by the new Howe emblem which appears on the cover of this Report. It will be featured in both corporate and divisional advertising and promotion during the coming year.

## *Financial*

During 1961 sales were \$105,655,958 as compared with last year's sales of \$95,007,557. Earnings for 1961 were \$1.05



## **NAVACO COMPANY**

*Dallas, Texas*

*Aluminum and rigid vinyl awnings; structural panel for canopies and marquees; carports; patio covers; rigid vinyl panels; awning components.*



## **PEERLESS ROLL LEAF COMPANY**

*Union City, New Jersey*

*Hot transfer leaf; hot stamping equipment; salt-water battery materials; typewriter ribbon; rolled silver; rolled magnesium; rolled silver chloride; magnetic tape.*



a share as compared with \$1.46 a share for 1960 (adjusted for shares presently outstanding). The decline in earnings is largely attributable to copper and brass price conditions and the loss from importing and trading. Further, income taxes have been accrued at normal rates, whereas in previous years benefits from tax credits were available.

Our earnings prospects for 1962 are considerably brighter.

In July 1961 we sold \$5,000,000 of \$5.50 convertible preferred stock, which increased our financial strength as reflected in current working capital. This financing, plus cash flow, brought working capital from \$28,285,000 in 1960 to \$32,137,000 in 1961.

As required by the Note Agreement relating to our outstanding \$15,000,000 of 6% Notes, we deposited on December 1, 1961 \$1,000,000 in escrow to be applied toward retirement of certain long-term obligations.

During 1961 we paid to stockholders two stock dividends of 3% each. The dividends in stock were pursuant to our policy of retaining cash for investment in the Company's business.

## *Divisional Operations*

### *Rolling Mills Division*

This has been a significant year for our Rolling Mills operations, particularly in aluminum. Volume in aluminum



## **DENTAL DIVISION** (AUSTENAL COMPANY)

*Chicago, Illinois*

*VITALLIUM® brand cobalt-chromium alloy for partial and full dentures. MICRO-BOND® porcelain fused to palladium precious metal crown and bridgework. DEE casting golds for inlays, crowns and bridges. Orthodontic wires and bands. Dental laboratory equipment and supplies. Plastics for dentures and bridges. Porcelain teeth.*



## **SURGICAL DIVISION** (AUSTENAL COMPANY)

*New York, N.Y.*

*VITALLIUM® Products: Prostheses and cups for mobilizing joints; hinged appliances for replacing elbow, knee and finger joints; screws and plates for fracture fixation; nail-plate combination fracture appliances.*



exceeded our estimates and, in anticipation of an even greater trend toward the use of this metal, we have installed new equipment for the slitting, sheeting and leveling of heavy gauge materials. We are adding new degreasing equipment, as well as additional embossing patterns and are modernizing existing machinery. The recently acquired warm-air fittings line, and the opening of a sales office in California in January should substantially increase sales in 1962.

Basic metallurgical research continues in our Mill Products division, and we are investigating alloying methods to improve the metal for dipped bright finish products, such as automotive trim. We are also developing methods for rolling tempered fin stock for the air conditioning and heating industries. Applied research on casting, homogenizing, hot and cold rolling and annealing is consistently used to improve the entire Mill Products line.

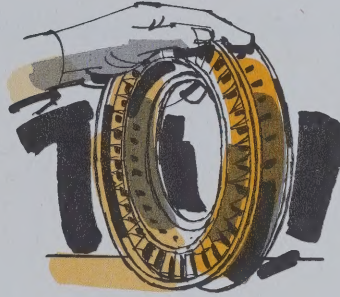
Aluminum and rigid vinyl ventilated awning sales have grown steadily and the product gains wider acceptance each year. Our sales of aluminum structural panel have increased rapidly as more architects each year are specifying these panels for both commercial and industrial use.

In December of 1961 we commenced operations at our new plant in Dallas, Texas for extruding rigid vinyl panel and sheet material (polyvinyl chloride). This material is available in a variety of widths and lengths, allowing extra latitude in specifications, and comes in both opaque or translucent colors. It has a broad range of application for industrial skylighting and sidelighting as well as canopies, residential patio covers, awnings and carports.



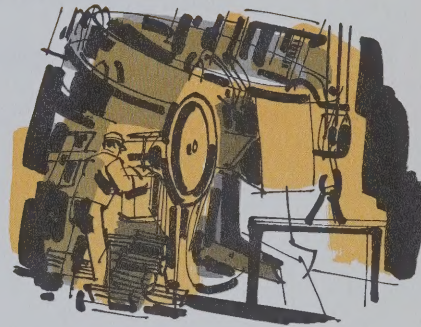
**MICROCAST DIVISION**  
(AUSTENAL COMPANY)

*LaPorte, Indiana; Dover, New Jersey*  
Investment castings for aircraft and industrial use cast of alloys of steel, stainless steel and high temperature alloys. Specialists in rotating and stationary castings for gas turbine units. Facilities available for air melt and vacuum casting.



**CRUCIBLE STEEL  
CASTING COMPANY**

*Milwaukee, Wisconsin;  
Hamburg, Pa.; Lansdale, Pa.*  
Steel castings ( $\frac{1}{2}$  lb. to 30,000 lbs.), carbon and low alloy. Quality control through radiography and magnetic particle inspection. Gray iron and aluminum castings.



In the field of roll leaf and the equipment for its use, we have added larger machines for decorating items increasing in use such as carrying cases for beer and soft drinks. We are producing vacuum-plated stamping leaves, transfer products and typewriter ribbon. We are continuing the manufacture of silver chloride and magnesium foil for torpedoes and Sonobuoy batteries.

The year 1961 was extremely competitive in the brass industry from a pricing standpoint. Foreign imports declined but still had a severe economic effect on the entire brass mill industry. Our expanded sales force for copper, brass and bronze strip should produce marked improvement in sales volume. We have installed new machinery to anticipate a greater variety of future customer requirements and enlarged our metallurgical and quality control departments.

***Dental/Surgical Division***

The Dental Division reached record sales in 1961. Sales of the cobalt-chromium alloy *Vitallium* for full and partial cast dental restorations, and of our palladium (platinum-type) alloy *Micro-Bond* for fixed dental crowns and bridges, accounted for a great majority of this increase.

During the year we opened a branch in Cologne, Germany to provide for increased distribution through local manufacture and procurement. The acquisition of *Dee* gold combined with development work in the field





STATEMENT OF CONSOLIDATED INCOME AND RETAINED EARNINGS  
HOWE SOUND COMPANY AND CONSOLIDATED SUBSIDIARIES  
YEAR ENDED DECEMBER 31, 1961

<i>Revenues:</i>	
Net sales and operating revenues.....	\$105,655,958
Gains on sales of plants, properties and sundry assets—net.....	859,697
Loss from importing and trading.....	( 907,282)
Interest and dividends.....	390,890
Other.....	722,873
	<u>\$106,722,136</u>
<i>Costs and expenses:</i>	
Production and operating costs.....	\$82,888,209
Depreciation, depletion, and amortization.....	3,425,221
Selling, administrative, and general.....	13,264,996
Interest.....	1,122,595
Royalties.....	239,498
Other.....	35,134
	<u>100,975,653</u>
	<u>\$ 5,746,483</u>
<i>Income before taxes on income</i>	
	<u>2,274,521</u>
<i>Taxes on income—estimated</i> .....	<u>\$ 3,471,962</u>
	<u>NET INCOME</u>
	<u>22,953,093</u>
<i>Retained earnings at January 1, 1961</i> .....	<u>\$ 26,425,055</u>
<i>Deduct:</i>	
Stock dividends—two of 3% each.....	\$ 3,303,179
Cash dividends on Preferred Stock.....	116,823
Expenses of sale of Preferred Stock.....	78,274
	<u>3,498,276</u>
	<u>\$ 22,926,779</u>
<i>Retained earnings at December 31, 1961—Note G</i>	

See notes to financial statements.

CONSOLIDATED BALANCE SHEET / HOWE SOUND COMPANY AND CONSOLIDATED SUBSIDIARIES

ASSETS

<i>Current assets:</i>	
Cash.....	\$ 5,724,108
Marketable securities—at cost and accrued interest (approximate market).....	5,055,770
Notes and accounts receivable, less allowances.....	15,677,327
Inventories—Note B.....	22,597,102
Prepaid expenses.....	446,538
	<u>Total current assets</u>
	<u>\$49,500,845</u>
<i>Manufacturing properties, plants, and equipment:</i>	
At cost.....	\$43,502,707
Less allowances for depreciation and amortization.....	<u>12,080,957</u>
	<u>31,421,750</u>
<i>Mining properties, plants, and equipment—at cost, less allowances</i> .....	
	<u>1,528,993</u>
<i>Deposit with escrow agent—Note G</i> .....	
	<u>1,000,000</u>
<i>Investments and other assets (including investment in Automation Industries, Inc.—\$1,150,956)</i> .....	
	<u>4,386,534</u>
	<u>\$87,838,122</u>

See notes to financial statements.





**LIABILITIES**

*Current liabilities:*

Acceptances payable under letters of credit.....	\$ 4,156,009
Accounts payable—trade.....	6,302,311
Other payables and accrued expenses.....	3,418,321
Estimated federal and foreign taxes on income.....	3,021,223
Long-term debt maturing within one year—Notes C and G.....	465,640
<i>Total current liabilities</i>	<u>\$17,363,504</u>

Long-term debt—Notes C and G.....	23,497,860
Reserves for insurance, contingencies, etc.....	614,509
Minority interest in subsidiary.....	624,219

*Stockholders' equity:*

Capital stock:

\$5.50 Convertible Preferred Stock, without par value, cumulative dividend—Notes D and G: Authorized and issued 50,000 shares, at stated value.....	\$ 5,000,000
---	--------------

Common Stock, par value \$1 per share—Note E:

Authorized 5,000,000 shares; issued 3,316,386 shares, less 127,665 shares held in treasury.....	3,188,721
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Capital surplus—Note F.....	14,622,530
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Retained earnings—Note G.....	22,926,779	45,738,030
-------------------------------	------------	------------

Commitments and contingent liabilities—Note H

\$87,838,122

Board of Directors  
Howe Sound Company  
New York, N.Y.

We have examined the consolidated financial statements of Howe Sound Company and consolidated subsidiaries for the year ended December 31, 1961. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

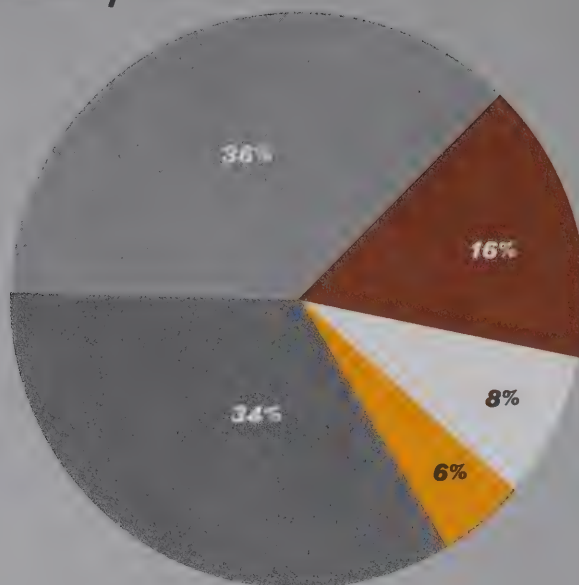
In our opinion, the accompanying balance sheet and statement of income and retained earnings present fairly the consolidated financial position of Howe Sound Company and consolidated subsidiaries at December 31, 1961, and the consolidated results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent in all material respects with that of the preceding year.

ERNST & ERNST

February 23, 1962  
New York, N. Y.



## PERCENTAGE OF SALES BY DIVISION / 1961



*Superalloy Products  
Division*



*Rolling Mills  
Division*



*Dental/Surgical  
Division*

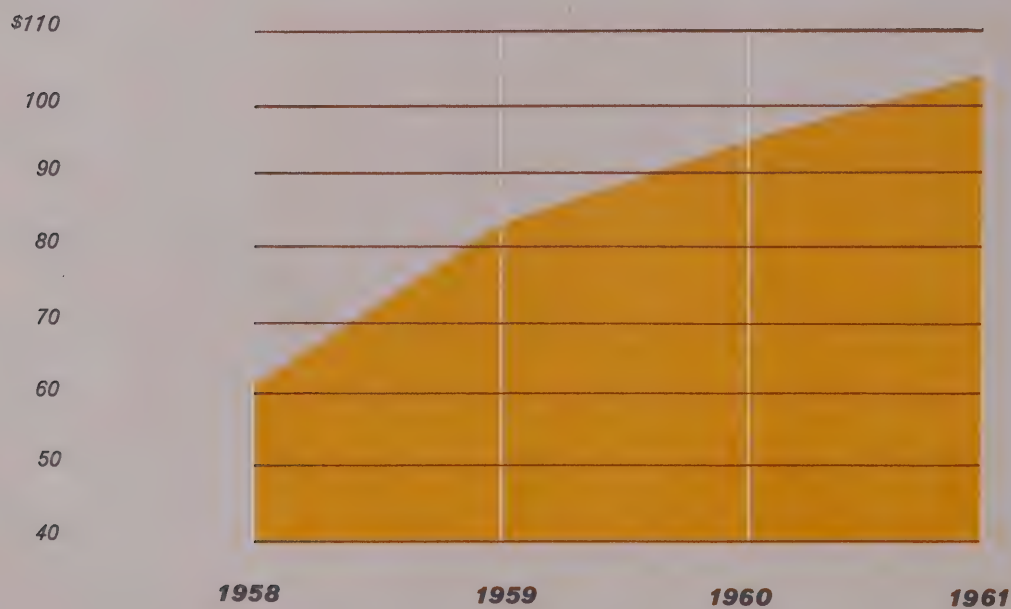


*Precision Products/  
Testing Division*

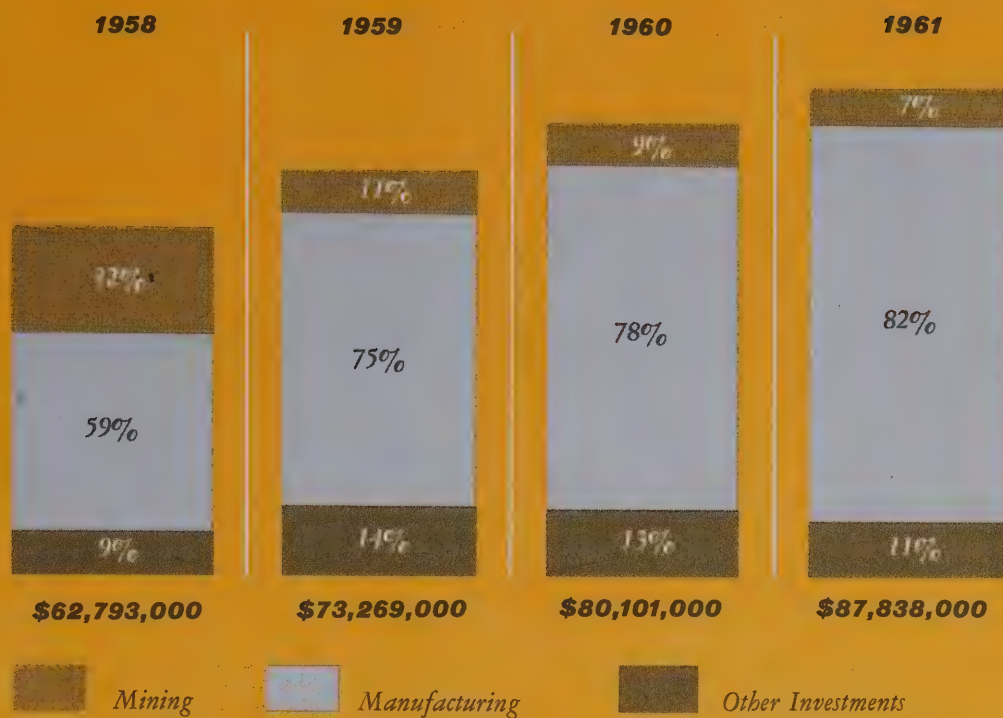


*Metallurgical/Refractories  
Division  
(Includes mining sales)*

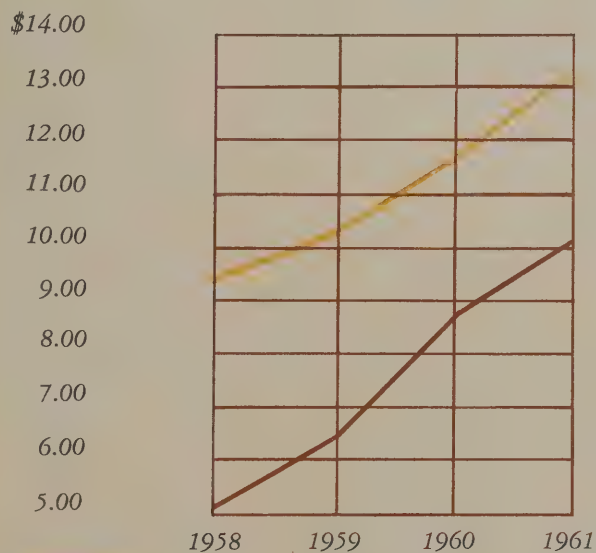
## GROSS SALES / In Millions





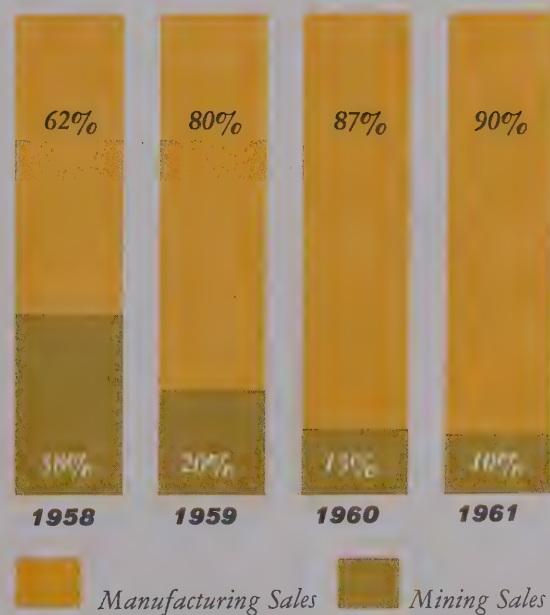


**BOOK VALUE & WORKING CAPITAL PER SHARE**



Book Value Per Share
  Working Capital Per Share

**SALES COMPOSITION**



Calculated on the basis of common shares outstanding at December 31, 1961.





## NOTES TO FINANCIAL STATEMENTS / HOWE SOUND COMPANY

### *Note A—ACQUISITIONS AND DISPOSALS*

During 1961 the Company acquired: Electric Wire Company, Inc. and Wire Equipment Corporation as of March 1, Headway Corporation and Duff Devices, Inc. as of March 24, Labeled Metal Products Company as of May 4, Pennsylvania Electric Steel Casting Company as of October 1, and Hurst Awning & Mfg. Co. as of December 31. The El Potosi Mine in Mexico and the Manganese Mine in Nevada were sold in July and October, respectively. In addition, Sperry Products Company, a Division, sold the net assets used in its nondestructive testing business as of November 13. The statement of consolidated income and retained earnings includes the operations of the above for periods of ownership.

### *Note B—INVENTORIES*

At lower of cost (first-in, first-out, or average method) or market:

Raw materials.....	\$ 5,971,650
Manufacturing work in process and finished products.....	10,026,902
Purchases for resale.....	3,336,204
Supplies.....	1,235,873

Principally at market prices:

Metals and concentrates.....	2,026,473
	<u>\$22,597,102</u>

### *Note C—LONG-TERM DEBT*

6% Promissory Notes, issued under Note Agreement dated June 27, 1960, due in semi-annual installments of \$625,000 payable June 1965 to December 1976. \$15,000,000

Non-interest bearing mortgage notes (subordinated to the 6% Promissory Notes), due January 1964, except for an undeterminable amount which, under certain circumstances, may become payable prior thereto..... 7,256,000

Non-interest bearing contractual obligations payable \$292,850 in 1962, \$249,850 in 1963 and 1964, and \$104,850 in 1965.....	897,400
4% mortgage note payable in quarterly installments of \$17,500 (interest included) to April 1968.....	373,216
Sundry long-term obligations (\$111,412 due in 1962).....	436,884
	<u>\$23,963,500</u>
Less portion included as current liability	465,640
	<u>\$23,497,860</u>

### *Note D—PREFERRED STOCK*

In July 1961 the Company issued and sold to six institutional purchasers 50,000 shares of \$5.50 Convertible Preferred Stock, in the aggregate principal amount of \$5,000,000. The net proceeds were added to working capital. The Preferred Stock, among other things, is convertible at the option of the holder into Common Stock at the conversion price of \$21.12, as adjusted for stock dividends; redeemable at the optional redemption price (\$105 per share, reducing periodically to \$101 per share after July 31, 1961) and accrued dividends; is subject to a sinking fund requirement designed to retire 1,000 shares annually between 1966 and 1971 and 3,000 shares annually thereafter at \$100 per share and accrued dividends; entitled upon involuntary liquidation to receive \$100 per share, and upon voluntary liquidation to receive the optional redemption price and accrued dividends before any distribution in respect of Common Stock; and may vote to elect two of the Directors of the Company in the event unpaid dividends in such stock shall at any time equal or exceed \$5.50 per share.

### *Note E—STOCK OPTIONS*

At December 31, 1961, certain executives of the Company held stock options to purchase an adjusted aggregate of 77,671 shares of Common Stock

## AND CONSOLIDATED SUBSIDIARIES / DECEMBER 31, 1961

at \$12.184 per share (granted in 1959) and 7,426 shares of Common Stock at \$14.964 per share (granted in 1961), for a total of \$1,057,500. The option prices represent the fair market value of such shares on the date the options were granted. The options have a term of ten years and are exercisable to the extent of 20% annually on a cumulative basis beginning one year after the date granted.

During 1961 stock options were exercised for 1,748 shares at \$12.93 a share for a total of \$22,602. The quoted market price on the date exercised was \$19.875, or \$34,742 in total. Additional options for 56,335 shares may be granted at prevailing market prices at date of grant.

No charges to income were made with respect to any of the options.

### Note F—CAPITAL SURPLUS

Changes during 1961 were as follows:	
Balance January 1, 1961.....	\$11,516,739
Excess of fair market value over par value of shares of Common Stock issued in connection with:	
Stock dividends paid in June and December 1961 (less amount applicable to 5,996 shares issued as dividend on treasury shares).....	3,118,779
Shares issued in acquisition of Labeled Metal Products Company.....	360,000
Excess of the option price over the par value of 1,748 shares of Common Stock issued under stock option plan.....	20,853
	<u>\$15,016,371</u>
Deduct cost of 27,200 shares of Common Stock purchased for treasury less par value thereof.....	393,841
Balance December 31, 1961.....	<u>\$14,622,530</u>

### Note G—RESTRICTIONS ON RETAINED EARNINGS, MAINTENANCE OF CONSOLIDATED NET WORKING CAPITAL, AND ESCROW REQUIREMENTS

The terms of the Note Agreement underlying the 6% Promissory Notes and of the Preferred Stock impose restrictions on the payment of cash dividends or on purchase or redemption of any shares of Common Stock. At December 31, 1961, unrestricted retained earnings amounted to \$2,421,000. In addition, the Note Agreement requires the maintenance of consolidated net working capital of \$18,000,000 and provides that the Company will deposit \$3,000,000 in escrow in 1962 and \$1,500,000 in 1963 (in addition to the \$1,000,000 deposited in escrow on December 1, 1961) to be applied, subject to certain conditions, toward retirement of the non-interest bearing mortgage notes (see Note C).

### Note H—CONTINGENT LIABILITIES AND COMMITMENTS

Various law suits are pending against the Company or its subsidiaries. In the opinion of management such suits and claims, all of which are being contested, if decided adversely, will not involve sums having a material effect upon the consolidated financial position or operating results.

Certain sales are subject to provisions of the Renegotiation Act requiring refunds to the United States Government of any profits determined to be excessive. It is believed that refunds, if any, will not be material in amount.

At December 31, 1961, unused balances of letters of credit amounted to approximately \$1,925,000.

At December 31, 1961, the unpaid past service liability under employee pension and retirement plans amounted to approximately \$600,000. In 1960 annual cost was estimated at approximately \$425,000. However, due to the actuarial computation in 1961, the provision for contributions for 1961 to trustee funds was nominal in amount and the estimated annual cost for 1962 will also be nominal.



## MISCO PRECISION CASTING COMPANY

Whitehall, Michigan

*Precision investment castings of aluminum alloys, alloy steels; stainless steels and superalloys for aircraft and industrial applications; metallic coatings applied by vapor diffusion on either Misco castings or metal components supplied by customer.*

## FRANK SAMUEL & COMPANY

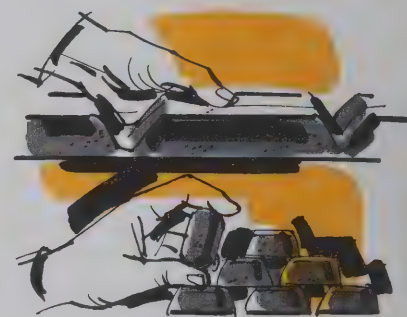
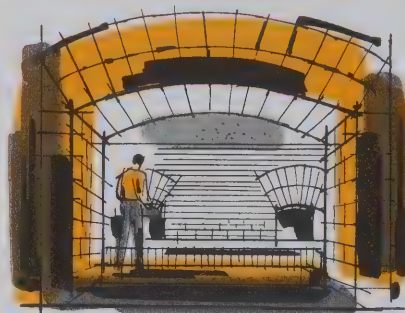
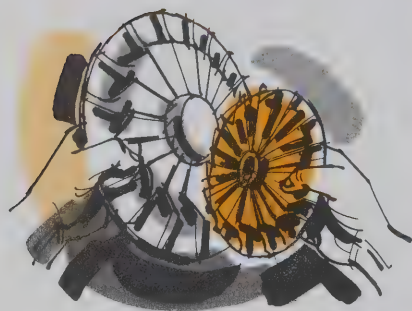
Philadelphia, Pennsylvania

*Steel Refractories: chrome cements, chute and ladle brick. Welding Rod Coatings: ferro manganese, ferro chrome, ferro titanium, ferro columbium, fluorspar. Ceramic Additions: zircon, chrome and manganese. Specialty Grinding: titanium, manganese and lithium ores.*

## HOWE REFINING CORPORATION

Sewaren, New Jersey

*Aluminum master alloy additives (boron, titanium boron, calcium, chrome, manganese) for aluminum, steel, high temperature and vacuum metals.*



of fixed crowns and bridges, and the introduction of a new full denture procedure, should lead to higher sales volume and operating profits in 1962.

Surgical sales of *Vitallium* cast and wrought appliances for application in the human body also increased in 1961. These include prostheses for restoring function in hips and other joints, many essential surgical items and a number of special types and sizes of appliances and instruments required by the orthopedic surgeon.

*Vitallium* surgical appliances are now in their 26th year. Over nine million have been made and used by the profession and, to the best of our knowledge, there has never been a single mechanical or biological failure due to corrosion. Developed in close cooperation with members of the orthopedic profession, these brands of cobalt-chromium surgical implants and tools have set new standards in compatibility, design and function. All told, about 20 new types of internal appliances, made to surgeons' specifications, were added during 1961.

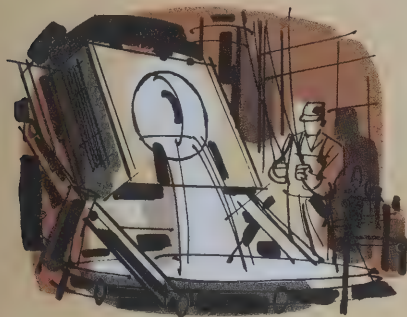
### *Superalloy Products Division*

This Division continues to account for a large proportion of our sales, primarily as the result of our investment casting operations. Research work over a long period of years is enabling us to work with the new applications of high temperature alloys which are so essential to today's gas turbine applications. Technological developments in this area have been rapid, but we have maintained our position as one of the foremost suppliers in a highly competitive industry.

## **WAIMET ALLOYS COMPANY**

*Dearborn, Michigan*

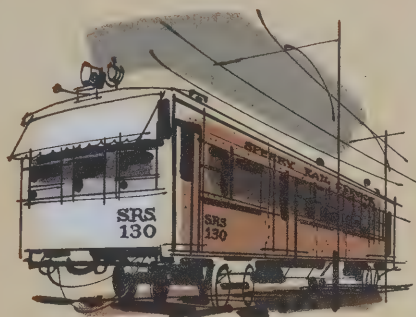
*SAE alloyed shot; split ingots and finger bars; foundry additives; hard facing welding rod.*



## **SPERRY RAIL SERVICE**

*Danbury, Connecticut*

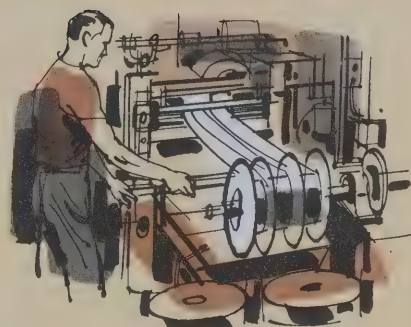
*Railway track testing services.*



## **ELECTRIC WIRE COMPANY**

*Northampton, Massachusetts*

*Wire for use in aircraft, braiding, brushes, cable, chains, dental, electrical, electronic, filters, jewelry, missiles, music strings, pot cleaners, rope, springs, sutures, wire cloth and zippers.*



The gas turbine engine program is not restricted to aircraft. On the contrary it has a wide range including the automobile of the foreseeable future. As of today the gas turbine is being used to provide auxiliary power equipment for generating electricity, for pumping gas, for trucks, fire engines, locomotives, earth moving equipment and, of course, aircraft.

Our primary direction at this stage of our work with gas turbine components is the production of large castings, integral cast turbine rotors, diaphragms, and air-cooled blades and vanes. The latter involve very intricate coring, and the casting processes which we are employing would have been thought impossible even two years ago. We believe that our processes in this field are outstanding. We have licensed certain of them to Bristol-Siddeley Engines, Ltd. of England and our Monoshell process to Deutsche Edelstahlwerke, Bochum, Germany and Microfusione Italiana, Milan, Italy.

In steel casting we are upgrading our product mix and improving our quality control with radiographic equipment and other technical methods. Our acquisition of a plant in Pennsylvania to augment these operations should mean further gains in 1962.

### *Metallurgical/Refractories Division*

The principal business of this Division continues to be the processing of ores, minerals and ferroalloys. These products



## HOWE PRECISION PRODUCTS COMPANY

*Danbury, Connecticut*

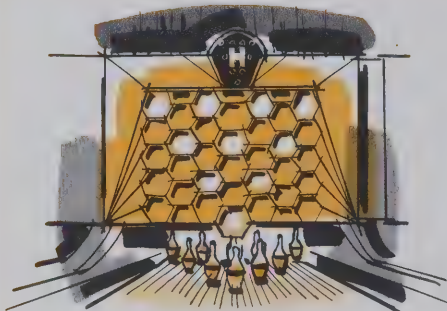
*Precision parts; expanded metals; electronic components; wire forms; specialty wire cloth; woven wire cloth. Hydraulic engine and electronic press controls. Valve seat inserts, surface and crankshaft grinders for gasoline and diesel engine rebuilding.*



## HEADWAY CORPORATION

*Pittsburgh, Pennsylvania*

*BOL-a-MATIC pinsetting equipment for the bowling industry together with accessory equipment such as scoring unit (PINTELLER) and a shield (PITMASK).*



## MINING

*Britannia Beach, British Columbia;  
Henderson, North Carolina*

*Copper, hubnerite, pyrite, tungsten and zinc concentrates; synthetic scheelite.*



are supplied to the welding rod, steel and ceramic industries. Divisional research has developed an exothermic hot top which should be of value to steel ingot producers.

High temperature alloys continue to play an important part in the sales of this Division. In the hardfacing alloy line we have perfected several types of weldrods that have excellent sales potential. We are now producing masteralloys to be used as additives by the aluminum, steel and vacuum metals industries.

In mining our copper and zinc operations were profitable in 1961. Low tungsten prices during the year made our tungsten mine marginal.

### *Precision Products/Testing Division*

We have expanded our wire drawing facilities and the addition of layer winding machines enables us to enlarge our sales field. Volume in the precious metals wire department is well ahead of the previous year. We draw wire of stainless, silver, gold, gold gallium, nickel base alloys, copper alloy and certain special alloys for the electronics industry. Although price competition was keen during the latter part of 1961, our wire sales showed a profit increase.

We are actively developing our line of precision screw machine products, and manufacturing wire cloth of titanium,



**RESEARCH &  
DEVELOPMENT CENTER**

*Dover, New Jersey*



silver, high temperature alloys and expanded metals of silver and nonferrous alloys for special applications such as batteries, fuel cells and catalytic uses.

Considerable publicity accompanied our entrance into the automatic bowling machine business in 1961. Although we now have installations in operation in Canada and the United States the full market potential is not yet known.

*Annual Meeting*

We hope you will be able to attend the Annual Meeting of Howe Sound Company at our Austenal Company Division in Dover, New Jersey on May 2, 1962. A map giving specific directions for reaching Dover accompanies your proxy statement. I look forward to your presence at the Meeting.

*Wm M. Weaver Jr.*

William M. Weaver, Jr.

*President*



## HOWE SOUND COMPANY / DIVISION SALES HEADQUARTERS



### ROLLING MILLS

#### NAVACO COMPANY

601 Hall Street  
Dallas 26, Texas  
(214) TAYlor 1-1426

#### PEERLESS ROLL LEAF COMPANY

4511 New York Avenue  
Union City, New Jersey  
(201) UNion 3-8686

#### QUAKER STATE METALS COMPANY

Manheim Pike, P.O. Box 1167  
Lancaster, Pennsylvania  
(717) EXpress 4-5611

#### STAMFORD ROLLING MILLS COMPANY

Springdale, Connecticut  
(203) DAVis 4-4177



### DENTAL / SURGICAL

#### AUSTENAL COMPANY

##### Dental

5101 South Keeler Avenue  
Chicago 32, Illinois  
(312) RELiance 5-0600

##### Surgical

224 E. 39th Street  
New York 16, N.Y.  
(212) OXford 7-5656



### SUPERALLOY PRODUCTS

#### AUSTENAL COMPANY

##### Microcast

230 Park Avenue  
New York 17, N.Y.  
(212) MURray Hill 9-5760

##### Research

P.O. Box 625  
Dover, New Jersey  
(201) FOxcroft 6-3585

### CRUCIBLE STEEL CASTING COMPANY

2850 South 20th Street  
Milwaukee 15, Wisconsin  
(414) MITchell 5-7700

### MISCO PRECISION CASTING COMPANY

116 W. Gibbs Street  
Whitehall, Michigan  
(616) TWin Oak 3-1515



### METALLURGICAL / REFRACTORIES

#### FRANK SAMUEL & COMPANY

Two Penn Center Plaza  
Philadelphia 2, Pennsylvania  
(215) LOCust 4-6150

### HOWE REFINING CORPORATION

P.O. Box 157  
Sewaren, New Jersey  
(201) MERcury 4-6300

### WAIMET ALLOYS COMPANY

5320 Oakman Boulevard  
Dearborn 2, Michigan  
(313) LUzon 1-7200



### PRECISION PRODUCTS / TESTING

#### ELECTRIC WIRE COMPANY

122 Federal Street  
Northampton, Massachusetts  
(413) JUstice 4-3964

### HEADWAY CORPORATION

One Gateway Center  
Pittsburgh 22, Pennsylvania  
(412) ATLantic 1-6306

### HOWE PRECISION PRODUCTS COMPANY

Shelter Rock Road  
Danbury, Connecticut  
(203) PIONEER 8-9243

### SPERRY RAIL SERVICE

Shelter Rock Road  
Danbury, Connecticut  
(203) PIONEER 8-9243



## **HOWE SOUND COMPANY / DIRECTORS AND OFFICERS**

### **DIRECTORS**

- Howard Butcher, III, Philadelphia, Pa.  
Partner—Butcher & Sherrerd
- John Ellis, New York, N.Y.  
Partner—Eastman, Dillon, Union Securities & Co.
- William L. Less, New York, N.Y.  
Partner—D. H. Ellis & Co.
- K. C. Li, Jr., New York, N.Y.  
Chairman of the Board—Wah Chang Corporation
- Leroy C. Milliken, Robesonia, Pa.  
President—Capitol Products Corporation
- George S. Patterson, New York, N.Y.  
President—The Buckeye Pipe Line Company
- Reeve Schley, Jr., Whitehouse, N.J.  
Chairman of the Board—Somerset Trust Company
- George C. Seward, New York, N.Y.  
Partner—Meyer, Kissel, Matz & Seward
- Ralph S. Stillman, New York, N.Y.  
President—Grace National Bank of New York
- William M. Weaver, Jr., New York, N.Y.  
President—Howe Sound Company
- John C. West, New York, N.Y.  
Partner—Brown Brothers Harriman & Company

### **OFFICERS**

- William M. Weaver, Jr., President
- Albert H. Charlton, Vice President—Rolling Mills
- Thomas T. Fleming, Vice President—Marketing
- William T. Holmes, Vice President—Finance
- Joseph F. Wilmott, Treasurer
- Charles R. Skinker, Secretary
- Stephen Geisen, Assistant Treasurer
- Robert Hockfield, Assistant Secretary
- John D. Gardner, Assistant to the President

### **COUNSEL**

- Meyer, Kissel, Matz & Seward, New York, N.Y.

### **TRANSFER AGENT**

- Chemical Bank New York Trust Company,  
New York, N.Y.

### **REGISTRAR**

- Grace National Bank of New York, N.Y.





**HOWE SOUND COMPANY / 500 FIFTH AVENUE / NEW YORK 36, N.Y.**